

## Message Text

UNCLASSIFIED

PAGE 01 STATE 122650

10

ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 ITC-01 OES-06 /075 R

DRAFTED BY EB/OT/STA:WTDIROLL:JH

APPROVED BY EB/OT/STA:WCLARK, JR.

EUR/RPE:RBRESLER

EUR/NE:NACHILLES

LABOR:DSORRENTINO

STR:SCOFFIELD

TREAS:WRREDA

----- 075988

R 190141Z MAY 76

FM SECSTATE WASHDC

TO AMEMBASSY LONDON

UNCLAS STATE 122650

E.O. 11652: N/A

TAGS: ETRD

SUBJECT: ADJUSTMENT ASSISTANCE

REF: LONDON 7066; STATE 109233

1. AS A RESULT OF OUR RECENT EXCHANGE, WE HAVE GIVEN SOME FURTHER THOUGHT TO THE MANNER IN WHICH THE EMBASSY MIGHT REFER TO THE UNITED STATES TRADE ADJUSTMENT ASSISTANCE PROGRAM IN REFUTING CHARGES OF PROTECTIONISM. IN MAKING SIMILAR REFUTATIONS IN DISCUSSIONS WITH WASHINGTON EMBASSY OFFICIALS, WE HAVE BEEN INCLINED TO REFER TO THE TRADE ADJUSTMENT ASSISTANCE PROGRAM PRIMARILY IN THE CONTEXT OF ITS AVAILABILITY AND USE IN THE DISPOSITION OF INDUSTRY PETITIONS FOR IMPORT RELIEF FILED WITH THE INTERNATIONAL TRADE COMMISSION (ITC) UNDER THE FIRST CHAPTER

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 122650

OF TITLE II OF THE TRADE A OF 1974. IN SO DOING, WE

HAVE USUALLY AVOIDED ATTRIBUTING ANY SPECIAL TRADE POLICY SIGNIFICANCE TO THE AMOUNT OF ADJUSTMENT ASSISTANCE EXTENDED TO GROUPS OF WORKERS OR FIRMS IN RESPONSE TO THOSE PETITIONS FILED WITH THE SECRETARY OF COMMERCE OR LABOR UNDER THE SECOND OR THIRD CHAPTERS OF TITLE II WHICH ARE UNRELATED TO ACTIONS TAKEN UNDER CHAPTER I.

2. IN OUR DISCUSSIONS, WE HAVE POINTED OUT THAT THE INCLUSION OF THE AUTHORIZATION FOR THE PROVISION OF EXPEDITED ADJUSTMENT ASSISTANCE IN INDUSTRY ESCAPE CLAUSE CASES HAS HAD TWO IMPORTANT EFFECTS. ONE, IT HAS MADE IT POSSIBLE FOR THE ITC IN CHAPTER I CASES, TO RECOMMEND THE PROVISION OF ADJUSTMENT ASSISTANCE INSTEAD OF INCREASED RESTRICTIONS ON IMPORTS. SHRIMP, AND CANNED MUSHROOMS ARE ILLUSTRATIVE EXAMPLES. EMBASSY MAY ALREADY HAVE NOTED THAT THE ITC WAS NOT AUTHORIZED TO MAKE SUCH A RECOMMENDATION UNDER THE PREDECESSOR TRADE AGREEMENTS LEGISLATION. TWO, IT HAS MADE IT POSSIBLE FOR THE PRESIDENT TO DECIDE IN FAVOR OF THE PROVISION OF ADJUSTMENT ASSISTANCE IN LIEU OF IMPLEMENTATION OF AN ITC RECOMMENDATION FOR IMPORT RESTRICTIONS, E.G., SHOES AND STAINLESS STEEL TABLE FLATWARE. THE AVAILABILITY AND USE OF TRADE ADJUSTMENT ASSISTANCE IN ESCAPE CLAUSE CASES HAS, THEREFORE, MADE IT POSSIBLE FOR THE UNITED STATES GOVERNMENT TO REMEDY THE INJURY OR THREAT OF INJURY FOUND TO EXIST BY THE ITC WITHOUT IMPOSING RESTRICTIONS WHICH WOULD HAVE DISRUPTED ESTABLISHED TRADE, THEREBY PRESERVING THE GAINS OF TRADE LIBERALIZATION.

3. AS REGARDS YOUR INQUIRY ABOUT THE PROVISION OF ASSISTANCE TO WORKERS, WE ARE INFORMED THAT IN THE PERIOD SINCE THE ENACTMENT OF THE TRADE ACT OF 1974 (APRIL 3, 1975 THROUGH APRIL 30, 1976), THAT 871 PETITIONS, COVERING APPROXIMATELY 390,000 EMPLOYEES, HAVE BEEN FILED BY GROUPS OF WORKERS SEEKING CERTIFICATION OF ELIGIBILITY TO APPLY FOR ADJUSTMENT ASSISTANCE. THE DISPOSITION OF THE PETITIONS, TOGETHER WITH THE NUMBER OF EMPLOYEES AFFECTED, IS AS FOLLOWS:

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 122650

STATUS	NO PETITIONS (1000)	NO EMPLOYEES
CERTIFIED	280	94
DENIED	209	97
IN PROCESS	356	192
WITHDRAWN	9	4

DISMISSED            17            2

IN THE PERIOD IN WHICH THE ADJUSTMENT ASSISTANCE PROVISIONS OF THE TRADE EXPANSION ACT OF 1962 WERE APPLICABLE (OCTOBER 11, 1962 THROUGH APRIL 2, 1975), A TOTAL OF 281 PETITIONS, COVERING APPROXIMATELY 125,000 EMPLOYEES, WERE FILED BY GROUPS OF WORKERS SEEKING ELIGIBILITY TO APPLY FOR ADJUSTMENT ASSISTANCE, OF WHICH 171 PETITIONS COVERED ADJUSTMENT ASSISTANCE, OF WHICH 171 PETITIONS COVERING 68,000 WORKERS WERE DENIED. KISSINGER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE, DATA, IMPORTS, TRADE LAW, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 MAY 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE122650  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** WTDIROLL:JH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760193-0850  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760536/aaaabeyv.tel  
**Line Count:** 125  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 LONDON 7066, 76 STATE 109233  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hackerp0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUN 2004 by mendozsm>; APPROVED <01 FEB 2005 by hackerp0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ADJUSTMENT ASSISTANCE  
**TAGS:** ETRD, UK, US  
**To:** LONDON  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006